



H.R. 2764 – The Department of State-Foreign Operations Appropriations bill for FY2008

Executive Summary

The House will consider H.R. 2764, the Department of State-Foreign Operations spending bill for FY2008, on June 20-21, 2007, under an open rule. H.R. 2764 provides \$34.24 billion in discretionary funding for the Department of State and foreign operations programs in fiscal year 2008, which is \$700 million less than the President requested. It also represents a 9.4 % increase (almost \$3 billion) over non-emergency appropriations for FY2007.

H.R. 2764 contains a total of \$5.08 billion for HIV/AIDS programs around the world, an increase of \$1.249 billion above FY2007 and \$585.7 billion more than the President requested. In addition, the bill provides \$949.3 million in assistance for Sudan, \$104 million above the President's request, and \$2.4 billion in military funding for Israel, which is the same as the Administration's request.

Strong concerns exist in regard to a number of provisions in the bill, including 1) language weakening current abortion and abstinence policies; 2) shifts in funding priorities for Colombia; 3) zeroing out the funding requested for Iraq; and 4) and shortchanging the Administration's request for the Millennium Challenge Corporation (MCC) by \$1.2 billion.

The Democrats' overall 302(b) allocation levels for FY2008 represent an \$83 billion increase over the 2007 enacted budget levels. While Democrats defend this substantial increase by claiming domestic programs have been starved in recent years, the reality is that domestic discretionary spending has increased 40 % – or 12 % in real dollars – since 2001. The Administration has threatened to veto any appropriations bill with more funding than requested.

The Appropriations Committee approved the draft of the bill by voice vote on June 12, 2008.

Floor Situation

H.R. 2764 is being considered on the floor pursuant to an open rule. The rule:

- Provides one hour of general debate equally divided and controlled by the Chairman and Ranking Member of the Committee on Appropriations.

- Waives all points of order against its consideration of the bill except for clauses 9 (earmarks) and 10 (PAYGO) of Rule XXI.
- During amendment consideration, the Chairman may give priority in recognition to Members who pre-printed his or her amendment(s).
- Waives points of order against provisions that fail to comply with clause 2 of rule XXI.

Note: This provision waives the House Rule that prohibits authorizing language in an appropriations bill.

- Provides one motion to recommit with or without instructions.
- Provides that, notwithstanding the operation of the previous question, the Chair may postpone further consideration of the bill to a time designated by the Speaker.

The bill was introduced by Representative Nita Lowey (D-NY) on June 8, 2007. The House Committee on Appropriations reported H.R. 2764 on June 18, 2007. The bill is expected to be considered on the floor on June 20-21, 2007.

Funding Summary

Table: State-Foreign Operations Appropriations

(funding in millions)

	FY08 House Proposal	FY08 Administration Request	FY07 Enacted
Total Discretionary	\$34,243	\$34,943	\$31,287
Development Assistance	\$1,734	\$1,031	
Global Health	\$6,520	\$6,004	\$5,523
Iraq	\$0	\$456	
International Peacekeeping	\$1,302	\$1,107	\$1,135
Sudan	\$949	\$845	
Israel	\$2,400	\$2,400	\$2,340
Afghanistan	\$1,057	\$1,057	
MCC	\$1,800	\$3,000	\$1,752
Global HIV/AIDS	\$5,082	\$4,996	\$3,833

Key Provisions

- **Iraq:** The bill contains no funding for Iraq, which is \$456 million less than the President requested.

During Committee markup, an amendment offered by Rep. Wolf (R-VA) to restore \$133 million in assistance for Iraq was rejected on a party-line vote.

- **Afghanistan:** The bill fully funds the request of \$1.057 billion for programs in Afghanistan, including \$150 million in development assistance, \$543 million in economic development assistance, and \$275 million for counter-narcotics. The bill includes a restriction limiting development and economic assistance funding to no more than \$225 million until the Secretary of State certifies that the Government of Afghanistan at both the national and provincial level is fully cooperating with U.S. eradication and interdiction efforts.

The bill directs \$15 million in funding to be used for improving the capacity of women-led Afghan NGOs and their activities. The bill also establishes a pilot program to test the effectiveness of crop substitution in combating the poppy trade in Afghanistan and in encouraging legitimate alternatives to the drug trade. The program will provide seeds for alternative crops and technical assistance to Afghan farmers. This pilot program is similar to the one that would be established by H.R. 2446, The Afghanistan Freedom and Security Support bill that passed the House on June 6, 2007. The bill also includes a limitation on funding for aerial eradication through the spraying of herbicides.

- **Colombia:** The bill includes \$503.8 million in bilateral economic assistance and counter-drug assistance for Colombia. It is important to note the bill significantly changes the manner in which this funding is allocated – increasing economic assistance and dramatically reducing counter-drug assistance – compared to the President's request. With this reallocation, the bill attempts to shift the strategy to concentrate more on humanitarian assistance and rural development. The bill also requires the Secretary of State to report on the links between the Uribe government and militias that the State Department considers terrorist organizations.

State-Foreign Ops Appropriations Subcommittee Ranking Member, Rep. Frank Wolf (R-VA), and former Speaker Dennis Hastert (R-IL) expressed concerns that this reallocation would hinder the Colombian President's ability to fight drugs.

- **Sudan:** The bill provides \$949.3 million in assistance for Sudan, \$104 million above the President's request. This funding comes from several different accounts, including humanitarian assistance, peacekeeping programs, development assistance, and economic support.

- **Israel:** The legislation includes \$2.4 billion in military funding for Israel, which is the same as the Administration's request.
- **Family Planning:** Language was added during committee markup that would change existing policy to allow the federal government to provide condoms to international NGOs that promote or perform abortions. The groups are currently barred from receiving funds.
- **HIV/AIDS:** The bill contains a total of \$5.08 billion for HIV/AIDS programs around the world, an increase of \$1.2 billion above FY2007 and \$585.7 million more than the President requested.

Note: On May 30, 2007, President Bush announced his continued commitment to fighting HIV/AIDS with a five-year, \$30 billion HIV/AIDS plan. The U.S. has provided \$48.3 billion over the last 10 years to combat HIV/AIDS.

- **International Peacekeeping:** Peacekeeping is funded through two separate accounts in this bill – CIPA and PKO. The bill provides \$1.3 billion for Contributions to International Peacekeeping Activities (CIPA), \$195,000 more than the amount requested and \$166,000 above the amount provided for FY07. The Peacekeeping Operations (PKO) account received \$293 million, which is \$72 million more than requested and \$70 million above the FY2007 level.

Assessed UN peacekeeping operations are funded through the CIPA account. The bill continues language requiring a notification that the UN is taking appropriate measures to prevent UN employees, contractors, and peacekeeping forces from trafficking in persons or committing any act of sexual exploitation.

- **Broadcasting Board of Governors:** The bill includes \$682.38 million for U.S. International Broadcasting, which is \$25.63 million above FY2007 and \$14.1 million more than requested.

Included in this funding is \$194 million for Voice of America (\$22.5 million more than FY2007 and \$15.7 million more than the Administration requested). The bill also includes \$33.7 million for broadcasting to Cuba, which is the same as FY2007 and \$5 million less than the requested.

- **U.S. Agency for International Development (USAID):** In recent years, overall funding for USAID has decreased. The bill includes language stating that USAID is the nation's primary international development agency and should be the leader in shaping and implementing development policy and programs that address global poverty and promote economic growth. The bill provides \$1.7 billion for Development Assistance, which is \$692.5 million above the President's request.
- **Millennium Challenge Corporation (MCC):** The bill provides \$1.8 billion for the MCC, an increase of \$47.7 million over FY2007 and \$1.2 billion below the

President's request. Unlike traditional development assistance programs, MCC is based on a result-driven approach that holds contract countries accountable for progress.

- **International Military Education and Training:** The bill provides \$85 million for IMET programs, \$4.4 million less than requested and \$801,000 less than FY2007. Because of concerns that DOD is circumventing restrictions on providing military education and training to certain countries due to human rights issues, the bill requires the State Department to produce a report in coordination with DOD and OMB on the differences between IMET and DOD's Counterterrorism Fellowship Program (CTFP).
- **Foreign Military Financing:** The bill provides \$4.5 billion for FMF programs, \$26.7 million below the request, and \$41 million below the FY07 level.
- **Promoting Environment-friendly Projects:** The bill includes a provision directing the Export-Import Bank and the Overseas Private Investment Corporation to draft a strategy to increase exports in renewable energy and environmentally beneficial products.

Amendments made in order by the unanimous consent agreement

(Please note that a running list of amendments offered during floor debate will also be available on our [website](#).)

Pro forma amendment offered at any point in the reading by the Chairman or Ranking Republican Member of the Committee on Appropriations or their designees for the purpose of debate.

Reps. Lincoln Diaz-Balart (R-FL)/Sires (D-NJ): Regarding funding for Cuba Democracy assistance programs.

Rep. Wolf (R-VA): Regarding funding for certain assistance programs for Iraq.

Rep. Shays (R-CT): Regarding funding for the Iraq Study Group.

Rep. Garrett (R-NJ): Regarding funding for anti-terrorism programs.

Rep. McCaul (R-TX): Regarding funding for International Narcotics Control and Law Enforcement programs.

Rep. Garrett (R-NJ): Regarding certain reporting requirements related to UN employees participating in UN peacekeeping missions.

Rep. Mack (R-FL): Regarding funding for broadcasting to Venezuela.

Rep. Shadegg (R-AZ): Amendment to strike language designating funds for renewable energy.

Rep. Sherman (D-CA): Regarding funding for the International Development Association.

Rep. Payne (D-NJ): Regarding funding for tuberculosis through Child Survival and Health.

Rep. Jackson-Lee (D-TX): Regarding funding for Liberia.

Rep. Blumenauer (D-OR): Regarding funding for Pakistan.

Rep. Culberson (R-TX): Regarding funding for rural water and sanitation projects in East Africa.

Rep. Shays (R-CT): Regarding funding for community assistance programs in Iraq.

Rep. Forbes (R-VA): Regarding ESF funding for Ethiopia.

Rep. Knollenberg (R-MI): Regarding funding for the Millennium Challenge Corporation.

Rep. Pitts (R-PA): Regarding funding for HIV/AIDS abstinence prevention programs.

Rep. Price (R-GA): Regarding funding for Israel.

Rep. Ros-Lehtinen (R-FL): Regarding funding for the UN Development Program.

Rep. Moore (D-WI): Regarding notification requirements on Liberia.

Rep. Skelton (D-MO): Regarding oversight of Iraq reconstruction.

Rep. Weiner (D-NY): Regarding military assistance for Egypt.

Reps. Smith (R-NJ)/Stupak (D-MI): Regarding the Mexico City policy on family planning assistance, which shall be debatable for 45 minutes and shall remain in order even if proposing to strike language inserted by amendment.

Rep. Lowey (D-NY): Making section to Section 622.

Rep. Lamborn (R-CO): Regarding prohibition on funds for certain individuals and entities for West Bank and Gaza programs.

Rep. King (R-IA): Regarding basing rights in Iraq.

Rep. Boustany (R-LA): Striking Section 669.

Rep. Fortenberry (R-NE): Regarding Foreign Military Financing funds for Egypt for certain border security efforts.

Rep. McGovern (D-MA): Limiting assistance for Western Hemisphere Institute for Security Cooperation.

Rep. Weiner (D-NY): Limiting funding for Saudi Arabia.

Reps. Upton (R-MI)/Harmon (D-CA): Regarding use of Energy Star certified light bulbs.

Rep. Tierney (D-MA): Regarding funding for Pakistan.

Rep. Jackson-Lee (D-TX): Regarding health infrastructure in Africa.

Rep. Gingrey (R-GA): Regarding a prohibition on funds for negotiations related to the visa waiver program.

Rep. Pence (R-IN): Regarding a limitation on the use of liquidated assets from an Enterprise Fund to establish a new foundation or entity.

Rep. Garrett (R-NJ): Limiting the use of funds for international conferences.

Rep. Ros-Lehtinen (R-FL): Regarding a prohibition on the use of funds for contributions to the UN for the United Nations Human Rights Council.

Rep. Price (R-GA): Regarding across-the-board reduction in funding.

Rep. Poe (R-TX): Regarding a prohibition on funds to issue visas to citizens of certain countries based on certain extradition policies.

Reps. Poe (R-TX)/Tancredo (R-CO): Regarding a prohibition on the use of funds in contravention of 8 U.S.C. 1253.

Rep. Flake (R-AZ): Limiting the use of funds to certain non-governmental organizations other than through the competitive bidding process.

Rep. King (R-IA): Limiting the use of funds for travel by certain House officials to certain countries.

Reps. Goodlatte (R-VA)/Herseth Sandlin (D-SD): Regarding a prohibition on the use of funds for the diversity visa program.

Rep. Pence (R-IN): Limiting the use of funds for the Palestinian Authority.

Rep. Pence (R-IN): Regarding prohibition on funds for U.S. contributions to the United Nations Relief and Works Agency for Gaza.

Rep. Musgrave (R-CO): Regarding an across-the-board reduction in funding.

Rep. Jordan (R-OH): Reducing funds in the bill.

Rep. Conaway (R-TX): Regarding the use of reductions made through amendments for deficit reduction.

Rep. Hensarling (R-TX): Reducing funds in the bill.

Rep. Tancredo (R-CO): Prohibiting funds to enforce certain guidelines regarding relations with Taiwan.

Rep. Blunt (R-MO): Prohibiting funds for the International Seabed Authority.

Rep. Shadegg (R-AZ): Prohibiting funds for countries providing assistance to Iran related to nuclear and missile programs.

Rep. Shadegg (R-AZ): Prohibiting funds for countries providing refined petroleum to Iran.

Rep. Obey (D-WI): Regarding earmarks.

Rep. Lowey (D-NY): Amendment or Amendments regarding funding levels.

Amendments Submitted for Pre-Printing on Wednesday, June 20, 2007

Rep. Lincoln Diaz-Balart (R-FL): The amendment restores \$36,700,000 for Cuba democracy assistance programs by offsetting it from the Department of State's \$3.8 billion general administration budget. In conjunction with the Committee recommended \$9,000,000, funding for Cuba democracy assistance would now equal the Administration's request. These funds are used to provide humanitarian assistance to Cuban civil society and the peaceful pro-democracy movement.

Rep. Flake (R-AZ): None of the funds made available in this Act may be used to fund non-governmental organizations, specifically named in the report accompanying the Act, outside of a competitive bidding process.

Rep. Hensarling (R-TX): Reduce Peace Corps funding by \$13,860,000.

Rep. Hensarling (R-TX): Reduce funding for the Millennium Challenge Corporation by \$47,700,000.

Rep. Hensarling (R-TX): Reduce the Global HIV/AIDS Initiative by \$1,203,480,000.

Rep. Hensarling (R-TX): Amendment reduces funding to the international bank for reconstruction and development-global environment facility by \$27,563,000.

Rep. Hensarling (R-TX): Eliminate funding for the International Development Association.

Rep. Hensarling (R-TX): Reduce funding for the international financial institutions, total, by \$79,642,000.

Rep. Hensarling (R-TX): Prohibits funding for the South Dakota School of Mines and Technology.

Rep. Hensarling (R-TX): Reduce total USAID funding by \$1,052,833,000.

Rep. Hensarling (R-TX): Reduce total USAID funding by \$65,208,000.

Rep. Hensarling (R-TX): Reduce Educational and Cultural Exchange programs by \$55,729,000.

Rep. Hensarling (R-TX): Reduce contributions to International Organizations by \$203,082,000.

Rep. Hensarling (R-TX): Reduce contributions for International Peacekeeping activities by \$195 million.

Rep. Hensarling (R-TX): Eliminate funding for the payment to the Asia Foundation.

Rep. Hensarling (R-TX): Eliminate funding for the Export-Import Bank.

Rep. Hensarling (R-TX): Eliminate funding for the Trade and Development Agency, title II – Export and Investment Assistance.

Rep. Issa (R-CA): Amendment regarding funding for the Bureau of Consular Affairs' Passport Operations.

Rep. Lamborn (R-CO): Regarding prohibition on funds for certain individuals and entities for West Bank and Gaza programs.

Rep. McCaul (R-TX): This amendment would increase by \$30 million the International Narcotics Control and Law Enforcement Account, and reduce by \$30 million the funding for Contributions for International Peacekeeping, which is being funded in the bill \$185 million over the President's request. This amendment partially restores the President's request for INCLE which was \$66 million more than the committee mark up.

Rep. Musgrave (R-CO): Reduces funding that is not required to be appropriated or otherwise made available by a provision of law by 0.5 percent.

Rep. Pence (R-IN): Regarding a limitation on the use of liquidated assets from an Enterprise Fund to establish a new foundation or entity.

Rep. Pence (R-IN): Regarding a limitation on the use of liquidated assets from an Enterprise Fund to establish a new foundation or entity.

Rep. Poe (R-TX): None of the funds made available in this Act for the Department of State may be used to provide visas to nationals and/or citizens of countries whose central government has notified the Department of State of its refusal to extradite to the United States any individual indicted in the United States for killing a law enforcement officer, as specified in a United States extradition request.

Rep. Price (R-GA): Amendment would reduce spending in the bill by 1 percent.

Rep. Ros-Lehtinen (R-FL): Prohibits funding for contributions to the UN for the United Nations Human Rights Council.

Rep. Ros-Lehtinen (R-FL): Prohibits funding for contributions to the UN for the United Nations Human Rights Council.

Rep. Musgrave (R-CO): Regarding funding for the Global Fund to Fight AIDS, TB and Malaria.

Rep. Porter (R-NV): Regarding the Global Resources and Opportunities for Women to Thrive (GROWTH) Fund.

Rep. Shays (R-CT): Adding \$1 million to the US Institute of Peace for reconstituting the Iraq study group. The purpose of reconstituting would be to evaluate the Petraeus/Crocker statement in September.

Rep. Shays (R-CT): Earmarks \$50 million within the Economic Support Funds account (ESF) for the Community Action Program in Iraq.

Rep. Shays (R-CT): Regarding funding for the U.S. Emergency Refugee and Migration Assistance Fund.

Amendments Submitted for Pre-Printing on Tuesday, June 19, 2007

Rep. Weiner (D-NY): Amendment prohibits assistance to Saudi Arabia.

Rep. Moore (D-WI): Amendment strikes Liberia from the list of countries that require special notification before obligating or expending appropriations except as provided through the regular notification process.

Rep. Gingrey (R-GA): Amendment would restrict funding and prevent the State Department from negotiating admission for additional countries under the Visa Waiver program. The Visa Waiver Program enables citizens of certain countries to travel to the United States for tourism or business for 90 days or less without obtaining a visa. There are currently 27 designated VWP participating countries. Requirements for Visa Waiver travelers to have biometrics included in passports were mandated in the Enhanced Border Security and Visa Entry Reform Act of 2002. Furthermore, the 2001 Patriot Act requires the Visa Waiver program to have a fully operational, machine-readable and tamper-resistant biometric identification system. Although the mandated security requirements are not fully operational, South Korea, Poland, and others are currently seeking visa waiver status.

Rep. Weiner (D-NY): Amendment would prohibit \$200 million of Egypt's \$1.3 billion in Foreign Military Financing assistance.

Rep. Conaway (R-TX): Amendment expresses the sense of the House of Representatives that any funding reductions from amendments should be dedicated to deficit reduction.

Rep. McGovern (D-MA): Amendment prohibits funding for programs at the Western Hemisphere Institute for Security Cooperation located at Fort Benning, Georgia.

Rep. Musgrave (R-CO): Amendment reduces by 0.5% appropriations that are not required to be appropriated or otherwise made available by a provision of law.

Rep. Ros-Lehtinen (R-FL): Amendment reduces funding for International Organizations by \$10.7 million.

Rep. Tancredo (R-CO): Amendment regarding limitation on use of funds relating to restrictions on relations with Taiwan.

Rep. Tancredo (R-CO): Amendment prohibits funds for the diversity visa program.

Rep. Tancredo (R-CO): Amendment prohibits funds in violation of section 243(g) of the Immigration and Nationality Act (8 USC 1253(d)).

Rep. Weiner (D-NY): Amendment prohibits funds for the West Bank and Gaza, except for humanitarian assistance, including assistance to the UN Relief and Works Agency for Palestine Refugees in the Near East.

Rep. Weiner (D-NY): Amendment limits assistance for the West Bank and Gaza.

Rep. Wolf (R-VA): Amendment would restore \$158M of the \$391M cut in funding for assistance to Iraq. Funding would be for de-mining and counter-terrorism, training Iraq military in international human rights, and funding for reconciliation programs and rule of law programs. The offsets are \$108M from State Department operations and \$50 m from the increase over the President's request for US contributions to UN peacekeeping.

Rep. Garrett (R-NJ): An amendment to strengthen language regarding crimes committed by peacekeepers. Current language calls for criminal peacekeepers to be "held accountable." Amendment would add language calling for the UN to seek criminal prosecutions.

Rep. Blumenauer (D-OR): Amendment limits Foreign Military Financing assistance for Pakistan to \$250 million. Also transfers \$50 million from the total Foreign Military Financing account to U.S. Emergency Refugee and Migration Assistance Fund.

Rep. Hensarling (R-TX): Amendment reduces Education and Cultural Exchange programs account by \$55.7 million.

Rep. Hensarling (R-TX): Amendment reduces the Global HIV/AIDS Initiative funding by \$1,203,480,000.

Rep. Hensarling (R-TX): Amendment reduces contributions to International Organizations by \$203,082,000.

Rep. Hensarling (R-TX): Amendment reduces funding for the Peace Corps by \$13,860,000.

Rep. Hensarling (R-TX): Amendment reduces funding to the international bank for reconstruction and development-global environment facility by \$27,563,000.

Rep. Hensarling (R-TX): Reduces funding for the Millennium Challenge Corporation by \$47.7 million.

Rep. Hensarling (R-TX): Reduces contributions for international peacekeeping activities by \$195 million.

Rep. Hensarling (R-TX): Prohibits funding to provide for engineering services to water and sanitation programs in India, to enhance its relationship with the University of Belgrade and to enhance its relationship with the Mongolia University of Science and Technology.

Rep. Jordan (R-OH): Reduces funding by \$2.956 billion.

Reps. Goodlatte (R-VA)/Herseth Sandlin (D-SD): This amendment would eliminate any funding in the bill to be used by the State Department to carry out the visa lottery program.

Staff Contact

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